



A STRONG VOICE FOR OREGON'S WORKERS

TO: Chair Taylor
Vice-chair Bonham
Members of the Labor and Business committee
FR: Catie Theisen, Oregon AFL-CIO
RE: SB 397 opposition

January 21, 2025

The Oregon AFL-CIO represents 300,000 workers across Oregon and is a voice for all workers in the legislative process. Thank you for the opportunity to testify with concerns on SB 397 which would allow for rounding in the payment of worker wages.

The bill would weaken existing Oregon law by allowing an employer to round the time an employee worked instead of paying a worker for the actual amount of time worked. ORS 652.120 is very clear that the employer shall pay all employees the wages due and owing to them and includes a clear process for workers to recoup wages if the “full amount the employee is owed” is not paid.

The bill also reverses a very clear Oregon District Court Decision that further clarified that employers must pay employees based on their actual time worked without rounding. This was after workers escalated the issue of their unfair pay where the employer’s rounding resulted in a “consistent net underpayment” and where they failed to pay workers “all earned and unpaid wages (including vacation pay).”

While we understand that compliance with *current* federal law would mean that the rounding should be “conducted in a neutral manner,” we still have significant concerns – as did the District Court – on how that would play out for workers in terms of lost wages in practice now. Further, that federal law could certainly change, putting Oregon workers at more significant risk for not being paid for their actual time worked.

Oregon law is simply stronger than federal law on the full accuracy of paying workers for their actual time worked and protecting their meal and rest break time. We ask that you ensure that Oregon continue to be a national leader on this fundamental issue of accurate worker pay.